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INFORMATIONAL SUBMITTAL

DATE: September 10, 2015

TO: Catherine Payne, Chairperson

FROM: Tom Hutton, Executive Director

AGENDA ITEM: Update on Na Wai Ola Public Charter School’s July 2015 Monthly Report for Commission’s Financial Monitoring

I. DESCRIPTION

Review of the financial reports of Na Wai Ola Public Charter School (Na Wai Ola) for the month ended July 31, 2015.

II. BACKGROUND

The Commission has required Na Wai Ola to submit information monthly regarding the status of the school’s finances until such time the Commission deems such additional financial monitoring no longer necessary.

III. DECISION MAKING STATEMENT

Commission staff has reviewed the most recent monthly financial reports submitted by the school. The financial statements will be made available to the Commissioners for their further review, if desired. Highlights of the information include:

1. Operating Income of \$603,819.23

The operating income for the month of July of \$768,515 includes \$723,720, or 60%, of annual per pupil funds for the school. In addition \$36,251 was received for federal grants, of which \$26,312 was received as a participant of the Commission’s Pre-K grant.

Expenses for the month of July totaled \$164,696. 58%, or \$95,981, accounted for personnel costs.

The school was successful in securing portable classrooms in late July to enable the expansion of the school to grade seven and accommodate the pre-K program. The costs for the portable classrooms are not yet reflected in the expenses of the school.

2. Cash balance as of July 31, 2015: \$594,797

The school's cash balance of \$594,797 includes the school's first allocation, or 60%, of funds made July 20, 2015. However, as of June 30, 2015, the school's unrestricted days' cash on hand, including adjustments made for federal funds reimbursed to the school in early July, was less than three days.

Although the school's cash position is solid at this time, continued monthly monitoring is prudent to ensure the school sustains operations through the end of the year.

Upon review of the monthly financial statements, staff noticed an entry on the school's Balance Sheet "Loans to Employees" with a rather significant balance of almost \$57,000. Staff is exploring this item further.

IV. RECOMMENDATION

None; for informational purposes only.